



2020 1Q BUSINESS RESULTS

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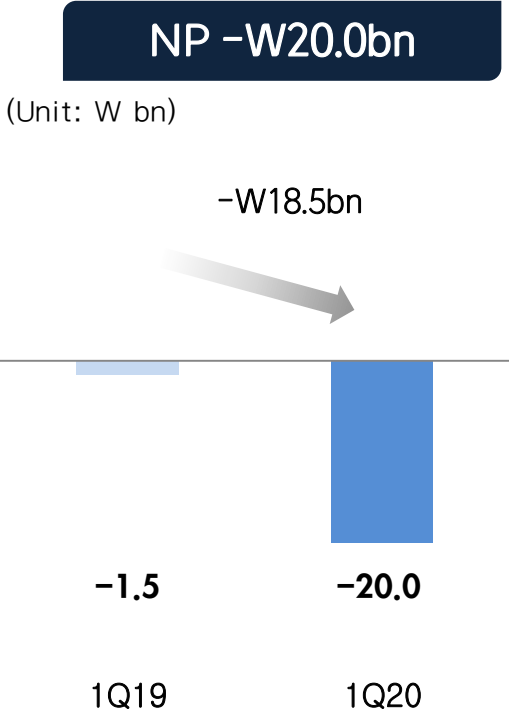
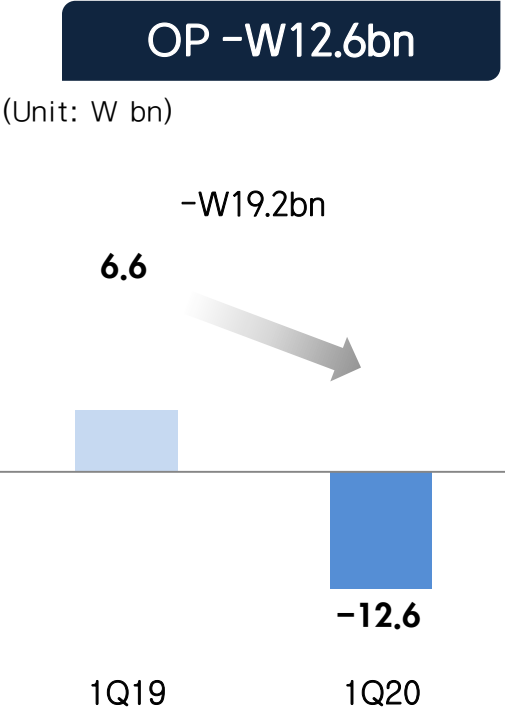
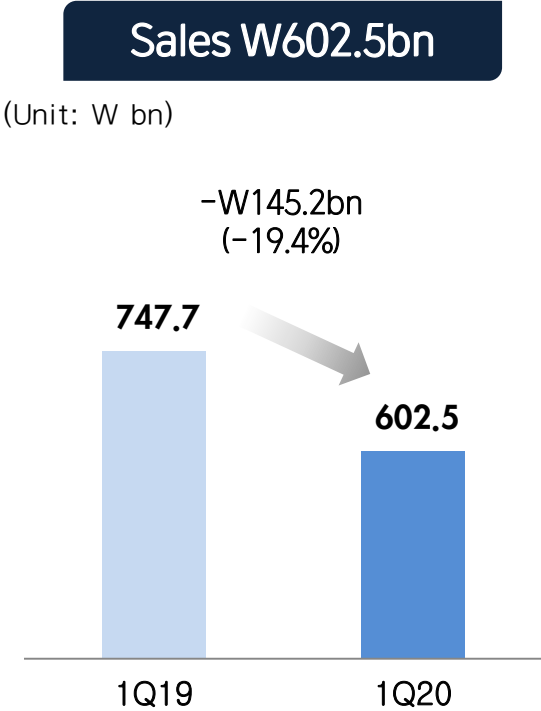
CONTENTS

CONTENTS	PAGE
1. BUSINESS RESULTS HIGHLIGHTS	2
2. EARNINGS ANALYSIS BY DIVISION	
2-1. FOOD MATERIAL DISTRIBUTION	3
2-2. FOOD SERVICE	4
2-3. OVERSEAS & OTHERS	5
3. OPERATING INCOME ANALYSIS	6
4. NON-OPERATING INCOME & EXPENSE	7
5. FINANCIAL STATEMENT	
5-1. SUMMARY OF INCOME STATEMENT	8
5-2. SUMMARY OF BALANCE SHEET	9

1. BUSINESS RESULT HIGHLIGHTS

TURNED A LOSS AS COVID-19 DESTABILIZED BUSINESS ENVIRONMENT

DESPITE OVERALL CHANNEL SOUGHT M/S GAIN, REVENUE SUFFERED AS SAME-STORE SALES PLUNGED DUE TO SOCIAL DISTANCING AND COLLAPSE IN CONSUMER SPENDING

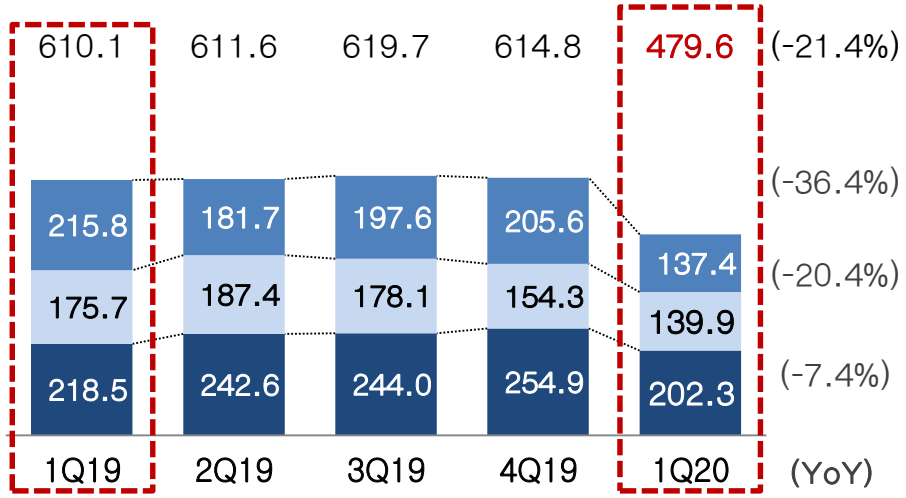


2. EARNINGS ANALYSIS BY DIVISION

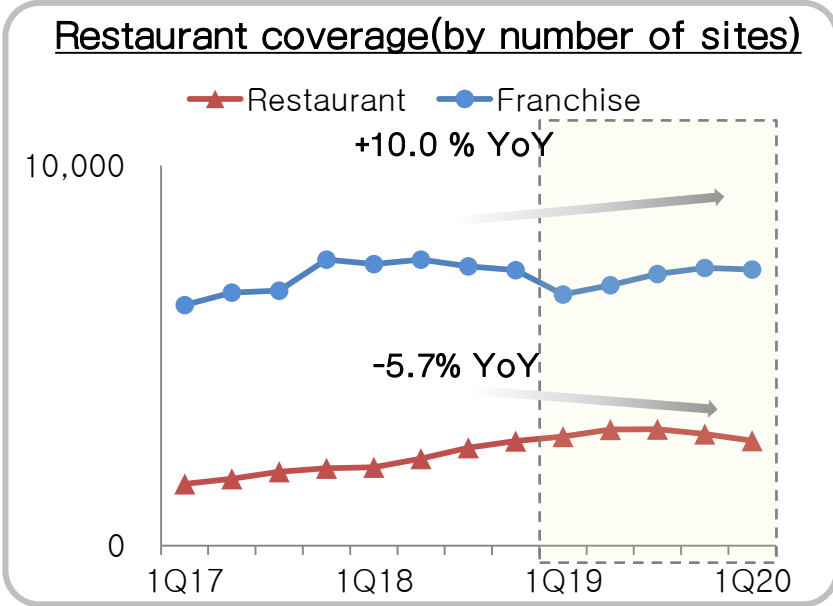
2-1. FMD

FMD W479.6bn

(Unit: W bn)



■ Restaurant/Catering ■ FreshOne ■ Wholesale/Factory



[Restaurant/Catering] W202.3bn (-W16.2bn, -7.4% YoY)

- Same-store sales plunged due to ripple effect of COVID-19 shutdown, which in turn significantly worsened profitability across all restaurant related channels.
- New catering clients contributed to sales growth, however, growth rate softened due to the dampened consumption.

[FreshOne] W139.9bn (-W35.8bn, -20.4% YoY)

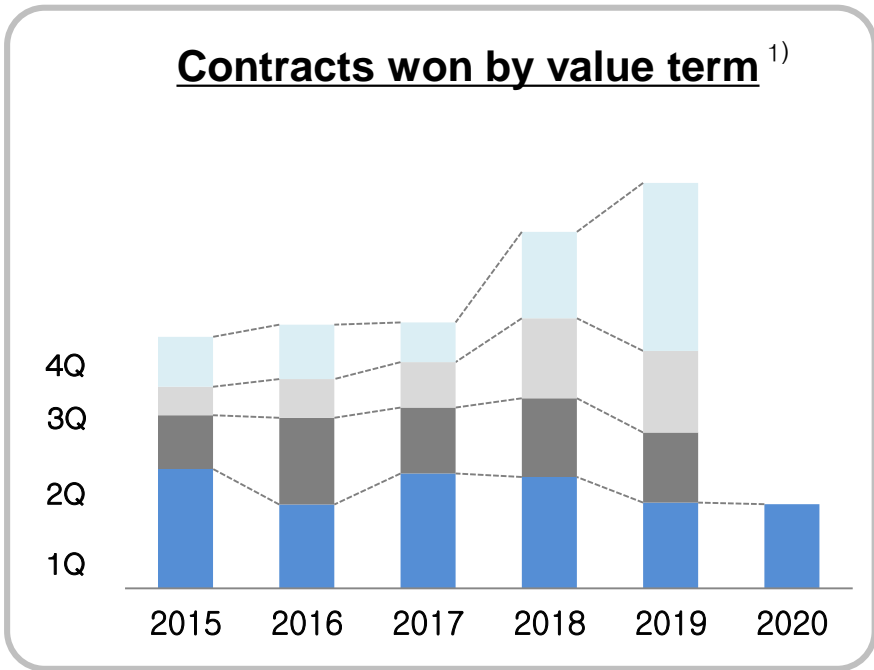
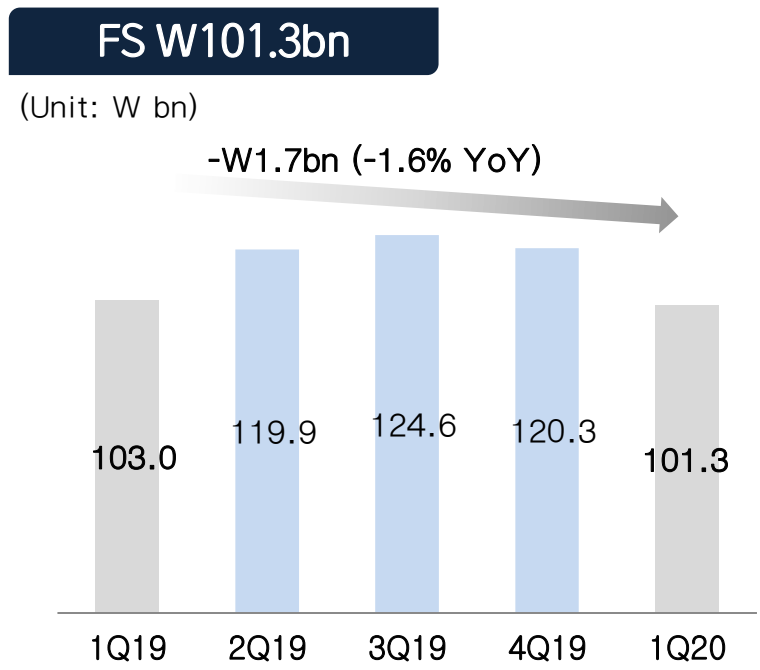
- Standalone: Sales W154.3bn(-19.6% YoY), GP W14.6bn(-W2.8bn), OP -W2.7bn(-W3.1bn)

[Wholesale/Factory] W137.4bn (-W78.4bn, -36.4% YoY)

- Decreased due to continued downsizing of CJFV FC brands and CJ CJ net revenue adjustments.

2. EARNINGS ANALYSIS BY DIVISION

2-2. FS



[FS] Sales W101.3bn (-W17.0bn, -1.6% YoY)

- New orders awarded proportionately amongst factories, office/concession and healthcare channels, while maintaining margin oriented strategy
- COVID-19 outbreak led to sales loss throughout all channels except factories, especially, sales to university, hospital and concession channels deteriorated due to decreased traffic

1) Projected annual sales

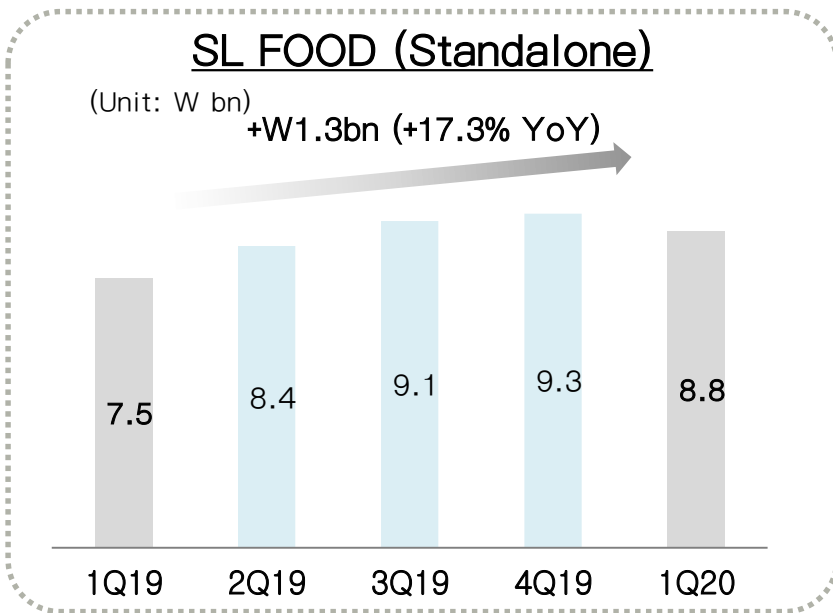
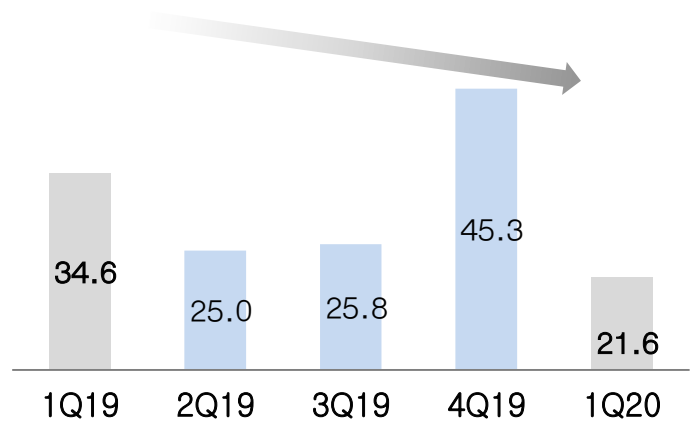
2. EARNINGS ANALYSIS BY DIVISION

2-3. OVERSEAS & SONGLIM FOOD

Overseas/SL Food W21.6bn

(Unit: W bn)

-W13.0bn (-37.6% YoY)

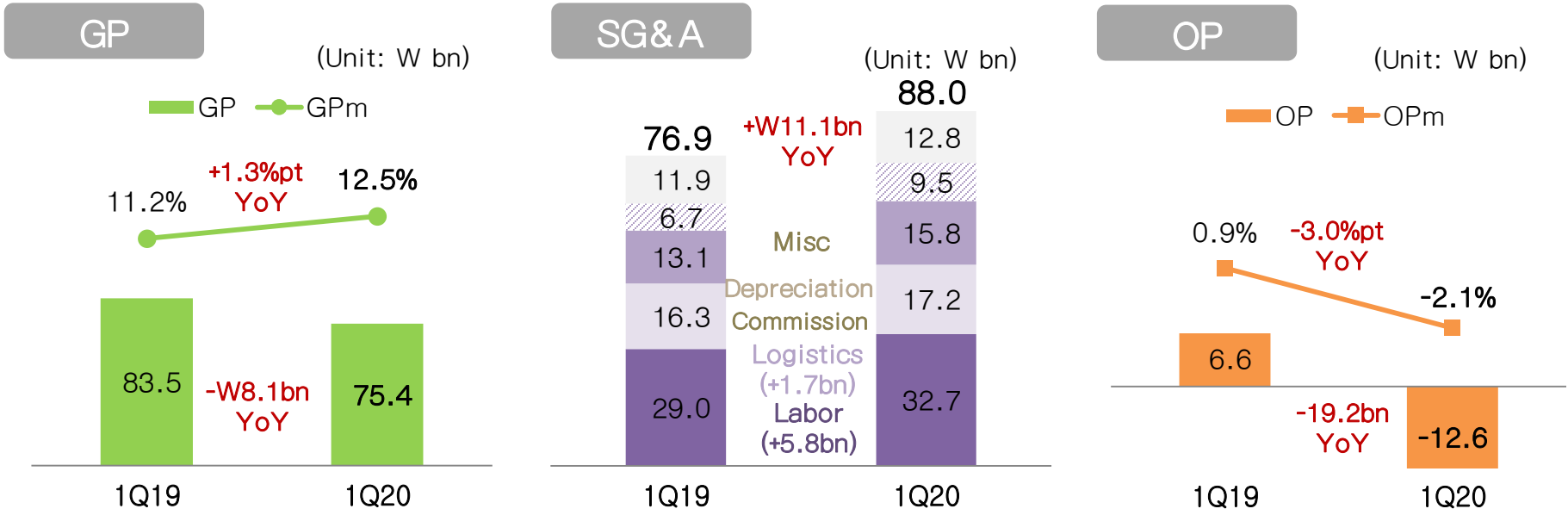


[Overseas & SL Food] Sales W21.6bn (-W13.0bn, -37.6% YoY)

- Overseas:(Standalone) Sales decreased amid Covid-19 closures and CJFV downsizing
- SL Food : Sales increased on the back of B2C(HMR, CVS related) channel demand hike
- J Farms : Sales declined due to client defection after the acquisition, however, profitability improved as newly added high margin yielding clients replaced the defected

3. OPERATING INCOME ANALYSIS

* OP/NON-OP REFLECTS CHANGES IN LEASE RELATED ACCOUNTING GUIDELINE



- GP : W75.4bn(-W8.1bn YoY), GPm 12.5%(+1.3%pt YoY)
- SG&A : W88.0bn(+W11.1bn, +14.5% YoY)
- OP : -W12.6bn(-W19.2bn YoY)
- Accounting guideline changes on leased properties
 - OP changes : Lease expense -W6.82bn, Depreciation +W6.39bn
 - Interest Expense : +W1.95bn

4. NON-OPERATING INCOME & EXPENSE

- IFRS GUIDELINE CHANGE, MAIN FACTOR FOR INCREASED INTEREST EXPENSE

(Unit: W bn)	1Q19	1Q20	CHG
Interest Expense	-4.0	-5.0	-1.0
F/X Gain (Loss)	0	-1.7	-1.7
Donation	-3.0	-3.2	-2.0
Miscellaneous	-0.9	-0.7	2
Total	-7.9	-10.7	-2.8

5. FINANCIAL STATEMENT

5-1. SUMMARY OF INCOME STATEMENT

(Unit: W bn)

	1Q19	4Q19	1Q20	YoY	(%)	QoQ	(%)
Total Revenue	747.7	780.8	602.5	(145.2)	-19.4%	(178.3)	-22.8%
- Food material distribution	610.1	614.8	479.6	(130.5)	-21.4%	(135.2)	-22.0%
Restaurant/catering	218.5	254.9	202.3	(16.2)	-7.4%	(52.6)	-20.6%
FreshOne	175.7	154.3	139.9	(35.8)	-20.4%	(14.4)	-9.4%
Wholesale/ factories	215.8	205.6	137.4	(78.4)	-36.3%	(68.2)	-33.2%
- Catering service(domestic)	103.0	120.3	101.3	(1.7)	-1.7%	(19.0)	-15.8%
- Overseas & others	34.6	45.7	21.6	(13.0)	-37.6%	(24.1)	-52.7%
Gross profit	83.5	110.4	75.4	(8.1)	-9.7%	(35.0)	-31.7%
SG&A	76.9	95.9	88.0	11.1	14.4%	(7.9)	-8.2%
Operating profit	6.6	14.5	(12.6)	(19.2)	-290.9%	(27.1)	-186.7%
EBIT	-1.2	4.6	(23.4)	(22.2)	1850.0%	(28.0)	-613.2%
Net profit	-1.5	2.2	(20.0)	(18.5)	1233.3%	(22.2)	-1027.6%

5. FINANCIAL STATEMENT

5-2. SUMMARY OF BALANCE SHEET

(Unit : W bn)	2016	2017	2018	2019	1Q20
Current Asset	469.1	506.7	469.1	479.2	551.7
Cashable Asset	12.4	54.7	26.0	21.3	42.7
A/R	250.2	269.2	203.7	234.8	218.5
Inventory	184.5	154.2	210.4	191.4	179.7
Others	22.0	28.6	29.0	31.8	110.8
Non-Current Asset	381.4	395.9	448.2	702.4	689.0
Investment in JV & affiliates	0.5	1.1	0.0	0.0	0.0
Tangible Asset	241.9	254.3	301.1	439.4	446.8
Intangible Asset	105.0	95.6	93.1	108.7	106.0
Real estate	12.1	11.8	0.5	100.1	95.1
Others	21.9	33.0	53.5	54.2	41.0
Total Asset	850.5	901.1	917.3	1181.7	1,240.6
Current Liabilities	433.5	512.8	567.3	580.4	583.0
Non-Current Liabilities	175.0	152.8	97.2	312.2	392.4
Total Liabilities	608.5	665.7	664.5	892.5	975.3
Total Shareholders' Equity	242.0	235.5	252.9	289.1	265.3

❖ Key Financial Index

(Unit: W bn, %)	2019	1Q20	CHG
Liability to Equity Ratio	308.7%	367.6%*	58.9%p
Debt to Equity Ratio	93.6%	139%	45.4%p
Net Debt to Equity Ratio	86.2%	123%	36.7%p
Total Borrowings(W bn)	2,706	3,688	+982
Net Borrowings(W bn)	2,493	3,261	+768

(*) When accounting change effect reversed debt ratio drops to 297%



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